

NATURE OF THE ACTION

1. This is a patent infringement action to stop each Defendant's infringement of Plaintiff's United States Patent No. 7,096,003 entitled "Transaction Security Apparatus" (the "'003 patent"; a copy of which is attached hereto as Exhibit A). Plaintiff is the legal owner of all of the rights under the '003 patent to bring this infringement against defendants. Plaintiff seeks injunctive relief and monetary damages.

PARTIES

2. Plaintiff Joao Bock Transaction Systems of Texas, LLC ("Plaintiff") is a Limited Liability Company organized under the laws of the State of Texas and is located at 104 East Houston Street, Suite 170, Marshall, Texas. Plaintiff is the exclusive licensee of the '003 patent, which license includes the exclusive right to sublicense the '003 patent, collect damages and sue for infringement and recover past damages.

3. Upon information and belief, Defendant AT&T, Inc. ("AT&T") is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 208 South Akard Street, Dallas, Texas 75202.

4. Upon information and belief, Defendant Zions First National Bank ("Zions Bank") is a banking subsidiary of Zions Bancorporation with its principal place of business located at One South Main Street, Salt Lake City, Utah 84111.

5. Upon information and belief, The Northern Trust Company ("Northern Trust") is a banking subsidiary of Northern Trust Corporation with its principal place of business located at 50 South La Salle Street, Chicago, Illinois 60603.

6. Upon information and belief, Defendant Wells Fargo Bank, N.A. ("Wells Fargo Bank"), a corporation organized and existing under the laws of the State of California, is a

banking subsidiary of Wells Fargo & Company with its principal place of business located at 464 California Street, San Francisco, California 94104.

7. Upon information and belief, Defendant M&I Marshall & Ilsley Bank (“M&I Bank”), is a banking subsidiary of Marshall & Ilsley Corporation organized and existing under the laws of the State of Wisconsin, with its principal place of business located at 500 Third Street, Wausau, Wisconsin 54402.

8. Upon information and belief, Defendant Regions Bank, a banking subsidiary of Regions Financial Corporation, is a corporation organized and existing under the laws of the State of Alabama, with its principal place of business located at 1900 Fifth Avenue North, Birmingham, Alabama 35203.

9. Upon information and belief, Defendant PNC Bank, N.A. (“PNC Bank”) is a banking subsidiary of The PNC Financial Services Group with its principal place of business located at One PNC Plaza, 249 Fifth Avenue, Pittsburgh, Pennsylvania 15222.

10. Upon information and belief, Defendant Bank of America, N.A. (“Bank of America”) is a banking subsidiary of Bank of America Corporation with its principal place of business located at 101 South Tryon Street, Charlotte, North Carolina 28280.

11. Upon information and belief, Defendant Visa, Inc. (“Visa”) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 900 Metro Center Boulevard, Foster City, California 94404.

12. Upon information and belief, Defendant American Express Company (“American Express”) is a corporation organized and existing under the laws of the State of New York, with its principal place of business located at World Financial Center, 200 Vesey Street, New York, New York 10285.

13. Upon information and belief, Defendant Discover Financial Services (“Discover”) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 2500 Lake Cook Road, Riverwoods, Illinois 60015.

14. Upon information and belief, JP Morgan Chase & Co. (“JP Morgan”) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business located at 270 Park Avenue, New York, New York 10017.

15. Upon information and belief, Chase Bank USA, N.A. (“Chase Bank”) is a banking subsidiary of Defendant JP Morgan with its principal place of business located at 200 White Clay Center Drive, Newark, Delaware 19711. JP Morgan and Chase Bank are collectively referred to herein as the “Chase Defendants.”

16. Upon information and belief, Citibank, N.A. (“Citibank”) is a banking subsidiary of Citigroup with its principal place of business located at 399 Park Avenue, New York, New York 10022.

17. Upon information and belief, Lindale State Bank (“Lindale”) is a Texas bank with its principal place of business located at 101 South Main Street, P.O. Box 8, Lindale, Texas 75771.

18. Upon information and belief, Texas National Bank of Jacksonville (“Texas National”) is a Texas bank with its principal place of business located at 300 Neches Street, Jacksonville, Texas 75766.

JURISDICTION AND VENUE

19. This action arises under the Patent Laws of the United States, 35 U.S.C. § 1 *et seq.*, including 35 U.S.C. §§ 271, 281-285. This Court has subject matter jurisdiction over this case for patent infringement under 28 U.S.C. §§ 1331 and 1338(a).

20. Upon information and belief, Defendants have transacted business and committed acts of infringement within the State of Texas, and more importantly, within this District, and are subject to the personal jurisdiction of this Court. The Court has personal jurisdiction over each Defendant because upon information and belief: each Defendant has minimum contacts within the State of Texas and the Eastern District of Texas; each Defendant has purposefully availed itself of the privileges of conducting business in the State of Texas and in the Eastern District of Texas; each Defendant has sought protection and benefit from the laws of the State of Texas; each Defendant regularly conducts business within the State of Texas and within the Eastern District of Texas; and Plaintiff's causes of action arise directly from Defendants' business contacts and other activities in the State of Texas and in the Eastern District of Texas.

21. Upon information and belief, Defendants have made, used, offered for sale, imported, sold, or advertised, and continue to make, use, offer to sell, import, sell, or advertise, online products and services that infringe one or more claims of the '003 patent. More specifically, each Defendant, directly and/or through intermediaries, makes, uses, sells, ships, distributes, offers for sale, or advertises its products and services in the United States, the State of Texas, and the Eastern District of Texas. Upon information and belief, each Defendant has committed patent infringement in the State of Texas and in the Eastern District of Texas, has contributed to patent infringement in the State of Texas and in the Eastern District of Texas, and/or has induced others to commit patent infringement in the State of Texas and in the Eastern District of Texas. Each Defendant solicits customers in the State of Texas and in the Eastern District of Texas. Each Defendant has many paying customers who are residents of the State of Texas and the Eastern District of Texas and who each use respective Defendant's products and services in the State of Texas and in the Eastern District of Texas.

22. Venue is proper in this District pursuant to 28 U.S.C. §§ 1391 and 1400(b).

COUNT I – PATENT INFRINGEMENT

23. On August 22, 2006, the United States Patent and Trademark Office duly and legally issued the '003 patent to the inventors Raymond Anthony Joao and Robert Richard Bock. Raymond Anthony Joao and Robert Richard Bock assigned all rights, title and interest in and to the '003 patent to Joao Bock Transaction Systems, LLC. Joao Bock Transaction Systems, LLC granted an exclusive license to Joao Bock Transaction Systems of Texas, LLC in the '003 patent, giving Joao Bock Transaction Systems of Texas, LLC the exclusive right to sublicense the '003 patent, collect damages and initiate lawsuits against the Defendants. The '003 patent is in full force and effect. Plaintiff is the exclusive licensee of the '003 patent and possesses all rights of recovery under the '003 patent for this litigation.

24. Upon information and belief, the Defendants have infringed and continue to infringe one or more claims of the '003 patent by making, using, importing, providing, offering to sell, advertising and/or selling (directly or through intermediaries), in this District and elsewhere in the United States, infringing products and services. Upon information and belief, the Defendants have also contributed to the infringement of one or more claims of the '003 patent, and/or actively induced others to infringe one or more claims of the '003 patent, in this District and elsewhere in the United States.

25. Each Defendant's aforesaid activities have been without authority and/or license from Plaintiff.

26. Plaintiff is entitled to recover from each of the Defendants the damages sustained by Plaintiff as a result of the Defendants' wrongful acts in an amount subject to proof at trial.

27. Upon information and belief, the infringement of one or more claims of the '003 patent by each of the Defendants is willful and deliberate. Upon information and belief, the inducement and contributory infringement of one or more claims of the '003 patent by each of the Defendants is willful and deliberate. As a result, Plaintiff is entitled to increased damages under 35 U.S.C. § 284 and to attorneys' fees and costs incurred in prosecuting this action under 35 U.S.C. § 285 with respect to these defendants.

28. Each defendant's infringement of Plaintiff's exclusive rights under the '003 patent will continue to damage Plaintiff, causing irreparable harm for which there is no adequate remedy at law, unless enjoined by this Court.

JURY DEMAND

29. Plaintiff demands a trial by jury on all issues.

PRAYER FOR RELIEF

Plaintiff Joao Bock Transaction Systems of Texas, LLC, respectfully requests the following relief:

- A. An adjudication that each of the Defendants have infringed and continue to infringe claims of the '003 patent;
- B. An award to Plaintiff of damages adequate to compensate Plaintiff for the Defendants' acts of infringement together with prejudgment interest;
- C. An award of enhanced damages, up to and including trebling of Plaintiff's damages pursuant to 35 U.S.C. § 284 for willful infringement by the each of the Defendants;

- D. An award of Plaintiff's costs of suit and reasonable attorneys' fees pursuant to 35 U.S.C. § 285 due to the exceptional nature of this case, or as otherwise permitted by law with respect to the Defendants;
- E. A grant of permanent injunction pursuant to 35 U.S.C. § 283, enjoining the Defendants from further acts of (1) infringement, (2) contributory infringement, and (3) actively inducing infringement with respect to the claims of the '003 patent; and
- F. Any further relief that this Court deems just and proper.

Dated: May 11, 2009

Respectfully submitted,

By: /s/ Andrew Spangler ____
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